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SENATE BILL 2731 By
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HOUSE BILL 3171
By Rhinehart

AN ACT to amend Tennessee Code Annotated, Title 8, Chapter 27, Part 7, relative to supplemental medical insurance for retired public employees and their dependents.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 8, Chapter 27, Part 7, is amended by adding the following as a new, appropriately designated section:

8-27-7___. (a) Except as provided in subsection (d) below, any retiree or dependent of a retiree who is eligible to participate in a supplemental medical insurance program authorized in this part may elect to participate in such supplemental medical insurance program or remain in the applicable group insurance plan as a supplemental medical insurance program to Medicare. The employer support levels for any eligible retiree electing to remain in the plan pursuant to this section shall be the same as that payable on behalf of retirees who elect to participate in the supplemental medical insurance program.

(b) Any other provisions to the contrary notwithstanding, any retiree or eligible dependent who participates in a supplemental medical insurance program authorized in this part and who was not given the option of remaining in the applicable group

insurance plan pursuant to subsection (a) above may elect to transfer back to such group insurance plan. Any such election must be made on a form prescribed by the state insurance committee and filed with the department of finance and administration during an enrollment period established pursuant to subsection (c) of this section.

(c) The state insurance committee shall establish an initial enrollment period for such retirees and dependents to make the election provided for under this section but in no event shall any such election be effective earlier than January 1, 2001. Thereafter, the committee may permit supplemental enrollment elections under such terms and conditions as the committee deems necessary and reasonable.

(d) This section shall not apply to retired county judges, county officials or to any retirees of employers participating in the Tennessee consolidated retirement system pursuant to chapter 35, part 2 of this title or to any of their dependents unless authorized by the local government insurance committee created by § 8-27-207. If authorized, the local government insurance committee shall have the authority to determine the administrative procedures, eligibility provisions and rules relating to the election authorized by this section.

SECTION 2. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 3. The provisions of this act shall be subject to the funding being provided in the general appropriations act.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.